

By-Laws of Kentucky Wesleyan College

ARTICLE I - Board Authority and Responsibilities

1.1. The Board of Trustees shall have and exercise those corporate powers prescribed by the Articles of Incorporation and those general powers of Kentucky law that are not inconsistent with the Articles of Incorporation. The Board of Trustees shall exercise ultimate institutional authority as set forth in these By-Laws and in such other policy documents as it deems appropriate.

1.2. The Board of Trustees shall have the authority to carry out all lawful functions permitted by these By-Laws or by the Articles of Incorporation. The Board will operate within the parameters outlined by the Southern Association of Colleges and Schools (SACS).

ARTICLE II - Membership of the Board of Trustees

2.1. The administration and management of the affairs and business of the College shall be vested in a Board of Trustees of not less than sixteen nor more than forty members, excluding ex-officio members.

2.2. The Kentucky Annual Conference of the United Methodist Church shall elect 12 members of the Board who shall be either ministerial members thereof or lay persons who shall be members of a United Methodist Church within the bounds and jurisdiction of said Conference. At least four clergy and four laypersons shall serve on the Board in any academic year. In addition, thereto, the Kentucky Annual Conference of the United Methodist Church may elect not more than four members at-large who may be chosen without regard for Conference or church membership, or place of residence. Nomination for the members to be elected by the Kentucky Annual Conference of the United Methodist Church to the Board of Trustees shall be made by the Kentucky Commission on Higher Education and Campus Ministry after consultation with the Board of Trustees and the President of the College. As usual, nominations may be made from the floor of the Kentucky Annual Conference of the United Methodist Church.

2.3. In addition to members of the Board of Trustees elected as set forth in Section 2.2 of this Article, the Board of Trustees, after consultation with the President of the College, may recommend to the Kentucky Commission on Higher Education and Campus Ministry nominations to the Kentucky Annual Conference of the United Methodist Church, not to exceed twenty-four additional at-large members who may be chosen, without regard

for Conference or church membership, so that the Board of Trustees shall at all times have as many members of the United Methodist Church as may be required by its “Book of Discipline.”

2.4. The District Superintendent of the Owensboro District of the Kentucky Annual Conference of the United Methodist Church, the duly-elected student representative, the duly-elected faculty representative, and the duly-elected president of the Alumni Association shall be ex-officio members of the Board, entitled to full privileges except such ex-officio members may not attend executive sessions of the Board. In addition to such ex-officio members named above, the presiding Bishop of the Kentucky Annual Conference of the United Methodist Church shall be an ex-officio member of the Board, entitled to full privileges.

2.5. Any vacancy in the membership of the Board of Trustees, except as a result of expiration of the term of office, shall be filled by election by the remaining members of the Board; the person(s) so elected shall serve from the date of his or her election for the unexpired term of his or her predecessor, at which time the vacancy shall be filled by normal processes prescribed herein.

2.6. The Board of Trustees shall hold annually a regular meeting on the campus of the College and may hold other meetings at such time and place as may be prescribed by the By-Laws. A majority of the members of the Board present shall constitute a quorum for the transaction of business.

2.7. Trustees serve for four (4)-year terms, and shall serve until their successors are elected and qualified. Trustees may succeed themselves in office for a maximum tenure of three (3) consecutive terms, not to exceed twelve (12) years of consecutive service. The Kentucky Annual Conference of The United Methodist Church, or its respective successor, shall have power to remove for cause any Trustee it elects; and the elected Trustees shall have power to remove for cause the Student Trustee, the Faculty Trustee or the Alumni Trustee.

2.8. Membership of any elected member on the Board shall be forfeited by absence from any four consecutive, regular meetings of the Board, unless the Board by majority action excuses one or more of these absences.

2.9. In addition to the Trustees as provided in other Sections of this Article, there shall be Trustees Emeriti. Persons may be elected to this category by the Board of Trustees at any regular meeting. Persons so elected shall have given distinguished service to, and shall have evidenced a vital interest in, the welfare of the College. Trustees Emeriti shall be entitled to have notice of all meetings of the Board of Trustees, to be present at and

participate in all meetings of the Board, to have privilege of the floor at all meetings of the Board or any Board committee, and in general to exercise all the rights and privileges of members of the Board, but shall not have voting privileges. There shall be no limit to the number of Trustees Emeriti. Trustees Emeriti shall be elected for an indefinite term and shall serve at the pleasure of the Board.

Article III - Officers of the Board of Trustees

3.1. The Officers of the Board of Trustees shall be a Chairperson, Vice-Chairperson, Treasurer, and Secretary, who shall be elected at the Annual Meeting of the Board of Trustees after nominations by the Committee on Nominations according to these By-Laws.

3.2. The Chairperson, Vice-Chairperson, Secretary, and Treasurer shall be elected at the Annual Meeting of the Board upon nomination by the Committee on Nominations. Such Officers of the Board shall hold office for one year and until their respective successors shall be elected, and may be elected for successive one-year terms. Vacancies in any of such offices may be filled at any time by a majority vote of the Board, but election or re-election shall take place at the Annual Meeting.

ARTICLE IV - Responsibilities of the Officers of the Board of Trustees

4.1. The Chairperson shall preside at all Board and Executive Committee meetings, have the right to vote on all questions, appoint committee chairs and vice chairs, determine the composition of all Board committees and task forces (with the exception of the Executive and Nominating Committees), and otherwise serve as a spokesperson for the Board. He or she shall serve as Chairperson of the Executive Committee, as an ex-officio member of all other standing committees of the Board, and shall have other duties as the Board may prescribe from time to time.

4.2. In the absence of the Chairperson, the Vice-Chairperson shall perform the duties of the office of the Chairperson, including presiding at Board and Executive Committee meetings. He or she shall have other powers and duties as the Board may from time to time prescribe and may or may not be nominated to succeed the Chairperson when a vacancy occurs, as the Committee on Nominations determines.

4.3 The Secretary shall ensure that the Board of Trustees is acting in accordance with these By-Laws, that By-Law amendments are promptly made as necessary, that minutes of Board and Executive Committee meetings

are accurate and promptly distributed to all Trustees, that meetings are properly scheduled and Trustees notified, and that Board policy statements and other official records are properly maintained. The Secretary shall perform other duties as prescribed from time to time by the Board and may be assisted in all duties by a staff member designated by the President.

4.4. The Treasurer shall serve as Chair of the Finance Committee of the Board of Trustees and otherwise serve as the Board's key leader on all financial-management policy matters. He or she shall ensure that all Trustees regularly receive appropriate and comprehensible financial statements from the College's administration that include comparisons of revenues and expenditures with the approved annual budget and the preceding fiscal year for the same time periods. The Treasurer shall ensure that other financial reports, including those for special or major Board-approved expenditures, College investments, and annual or special audits are provided to all Trustees in a timely manner for review and discussion as appropriate. He or she shall consult with the College's chief financial officer, Board-approved auditor, and the investment and audit committees of the Board as appropriate or necessary.

ARTICLE V - Term, Authority, and Responsibilities of the President of the College

5.1. The President serves at the pleasure of the Board of Trustees for such term, compensation, and with such other terms of employment, as it shall determine.

5.2. The President shall be the College's Chief Executive Officer and the chief adviser to and executive agent of the Board of Trustees. His or her authority is vested through the Board of Trustees and includes responsibilities for all College educational and managerial affairs. The President is responsible for leading the College, implementing all Board policies, keeping the Board informed on appropriate matters, consulting with the Board in a timely manner on matters appropriate to its policy-making and fiduciary functions, and serving as the College's key spokesperson. He or she has the authority to execute all documents and affix the corporate seal on behalf of the College and the Board of Trustees consistent with Board policies and the best interests of the College. The President may attend all Board committees, except the Audit Sub-Committee.

5.3. Subject to the approval of the Board of Trustees, the President shall have authority to appoint a Cabinet composed of Vice-Presidents, members of the Faculty, or such other persons as the President may consider

appropriate, to consult with the President on problems of coordination and administration and to advise the President on the formulation and interpretation of policy. The President shall have authority to call on such Officers of the College, members of the Faculty, or committees of either or both, for reports and may transmit such reports to the Trustees. The President shall annually prepare a budget for the whole Institution for presentation to the Board through the Finance Committee. The President shall have oversight of all matters of publicity, the publication of bulletins, and the issuing of the annual catalogue.

5.4. The President's signature shall be affixed to all diplomas awarded by the College, together with the signature of the Chair of the Board of Trustees. The President shall preside at the public exercises of the College, shall confer all degrees recommended by the Faculty and authorized by the Board, and unless some other person shall be officially designated, be the official representative of the College on all public occasions, whether at the College, or at other places where the College is invited to be represented.

5.5. The President shall have the authority to employ agents or other employees as may be necessary in his or her discretionary judgment for the proper and efficient conduct of the College and its auxiliary activities, subject to the approval of their salaries and compensations, duties, and length of appointment by the Board.

5.6. The President shall have the authority to work in consultation with appropriate legal and professional experts to make recommendations for all legal college documents including, but not limited to, By-Laws, handbooks, and bulletins. All such documents will be subject to final review and approval by the Board.

5.7. The President shall supervise, control, and be responsible for the administration of all aspects of the intercollegiate athletics programs of the College including, but not limited to, approval of the budget and audit of all expenditures, revenues, and gifts, and further shall be responsible for compliance with the rules and regulations of the National Collegiate Athletics Association and any other athletic association or conference of which the College may be a member.

5.8. In the absence or disability of the President, the Board or the Executive Committee may appoint an Acting President who shall have the power and duties of the President. Until a meeting can be called and such appointment has been made, the Vice-President of Academic Affairs shall assume the powers and discharge

duties of the President. A majority of all Trustees shall be required to declare the end of the disability and reinstate the President.

5.9 In addition, the President's specific duties and responsibilities shall be set forth in a Job Description approved by the Board in consultation with the President.

ARTICLE VI - Meetings

6.1. The Board of Trustees shall have three regular meetings during each fiscal year on such dates and at such places as the Chairperson shall determine. The Annual Meeting for the purpose of electing Trustees, Officers of the Board, and members of the Executive Committee shall be the second regular meeting of the fiscal year. The agenda for each regular meeting of the Board and each Executive session shall be prepared by the President after consultation with the Chairperson of the Board at least 20 days before such meetings.

6.2. Special meetings may be held at the call of the Chairperson, the President, or any five Trustees. The Chairperson or Secretary of the Board of Trustees shall send written notice of such special meetings to all Trustees, along with a clear statement of purpose, at least two business days in advance. Business at such special meetings shall be confined to the purpose stated in the notice of meeting.

6.3. A quorum for the transaction of business at meetings of the Board of Trustees or its Executive Committee shall consist of a majority of their respective regular, voting members present at the meeting. Except as otherwise provided in these By-Laws or the Articles of Incorporation, an affirmative action shall be by a majority vote of those members present.

6.4. Any action required or permitted to be taken by the Board of Trustees or by any committee thereof may be taken without a formal meeting by unanimous consent of all Trustees. Meetings may be conducted by personal attendance, any form of electronic or telecommunications, or in any other way the Trustees decide. A written consent setting forth the actions taken and signed by each member or Trustee shall be filed with the minutes of the proceedings as soon as is practical.

ARTICLE VII- Standing Committees and Task Forces

7.1. The Chairperson of the Board of Trustees shall have the responsibility to appoint the chairs, vice-chairs, and members of all Board committees and task forces except the Executive Committee. All committee and task force chairs, vice-chairs, and a majority of each committee's members shall be Trustees.

7.2. Each Committee shall have an Officer of the College or member of the administrative staff, as designated by the President, to assist it with its work. Each Committee shall meet at least three (3) times annually and report regularly on its work and recommendations to the Board of Trustees. Except for the Executive Committee, which shall be required to keep the minutes of all meetings, Committees shall decide whether written minutes are necessary and desirable and how they should be distributed to the Trustees.

7.3. The standing committees of the Board of Trustees shall be a Committee on Nominations, Executive Committee, Finance and Administration Committee, Committee on Student Life and Academic Affairs. For each Committee, a simple majority shall constitute a quorum for the transaction of business. Membership on standing committees shall be distributed to include all members of the Board.

7.4 In addition to the standing committees set forth above, the Board, in consultation with the President, shall from time to time appoint Task Forces of trustees to address specific issues on a time limited basis. Such Task Forces shall make recommendations and report to the Board for final action.

7.5(a) Committee on Nominations During its Annual Meeting, the Board of Trustees shall elect a Committee on Nominations composed of five members. This Committee shall be elected by ballot without nomination, each Trustee voting for five; and the five receiving the highest number of votes shall be the members of the Committee on Nominations. In case of a tie for the fifth position on the Committee, those Trustees all shall serve on the Committee. The Trustee receiving the highest number of votes shall be Chair of the Committee. The Committee on Nominations shall bring to the Board, at the Annual Meeting of the following year, nominees for the above-named Officers of the Board, naming which nominees are to be the Chairperson and Vice Chair of the Board . Upon a motion and second, any Trustee shall have the privilege of making nominations for such officers of the Board, except the Chairperson.

7.5(b) The Committee on Nominations, of which the President of the College shall be an ex-officio member, shall give continuing attention to:

1. Trustees whose terms are expiring;
2. Eligibility and evaluation of Trustees for re-nomination;
3. New prospects for Board membership;
4. Recommendations to the Board for persons to fill all vacancies on the Board;
5. Diversity with respect to age, gender, race, expertise, and geography.

The Committee on Nominations serves as the Board's agent in reviewing the performance of incumbent Trustees and Officers of the Board who are eligible for reelection, maintains a list of qualified candidates for possible nomination, considers strategies for promising Trustee candidates, and proposes and periodically reviews the adequacy of a statement of Trustee responsibilities as adopted by the Board.

7.6. Finance and Administration Committee The Finance and Administration Committee shall have responsibility for the areas of Finance, Budget, Development, Building and Grounds, Audit and Investment. It shall include at least three members, chosen in light of their residential proximity to the Institution, and the Faculty Trustee, ex-officio. Under such regulations as the Board may determine, the Finance Committee shall supervise the handling of all funds of the College (building funds, investments, real estate, mortgages, etc.) the selection of depositories, the securing of annual audits, and all other financial interests of the College, including the bonding of proper financial Officers of the College. Under regulations of the Board and in cooperation with the President, the Committee shall give such direction as may be necessary to the work of the Treasurer and other financial Officers of the College. The Committee shall make full reports to the Board for appropriate action.

7.6(a) The Investment Sub-Committee shall be composed of Finance Committee members who are responsible for the planning, oversight, and evaluation of the College's financial investments, particularly endowment and gift annuity funds. The Sub-Committee designates fund managers and establishes broad investment policy and income goals for the managers. Investment Sub-Committee members meet periodically (usually each quarter) to review results in each investment account and subsequently report the information to the Finance Committee.

7.6(b). The Audit Sub-Committee shall be part of the Finance Committee and is responsible for oversight of the College's annual financial and federal student aid audits. Sub-Committee members meet with the external auditors annually to review the audit reports, management letter, and other information concerning the financial operations of the College. The Sub-Committee advises the Finance Committee on approval of the audit report and the selection of a certified accounting firm to conduct the audit engagement.

Section 7.7 **Committee on Student Life and Academic Affairs** The Committee on Student Life and Academic Affairs shall have responsibility for Student Life, Educational Policy, Recruitment and retention of students and faculty, and Athletics (both intramural and intercollegiate). This Committee, after consultation with the President of the College, shall make recommendations concerning student life and academic programs, policies, and goals. Such policies and recommendations shall be presented to the Board of Trustees for approval. In addition, this Committee shall assure the College maintains compliance with the standards of its accreditation association;

7.8(a). Executive Committee. The Executive Committee shall include the Chairperson, Vice-Chairperson, Treasurer, and Secretary of the Board, the Bishop for the Kentucky Annual Conference, and the Chair of each standing committee. In conformity with the Articles of Incorporation of the College, the By-Laws, and other directions of the Board, the Committee shall control the internal affairs of the College during the intervals between meetings of the Board. It shall have the power to fix salaries and emoluments and to elect Officers, except the President. The Committee shall have power to approve recommendations of the Faculty for academic degrees. The Committee may not take action changing the academic or fiscal policies of the College, nor may it act to create indebtedness, make extraordinary appropriations of funds, or change the total budget of the Institution, except by prior authority granted by action of the Board. Meetings shall be subject to call by the Chair or action of the Committee. The Committee shall seek ratification of all its actions by the Board of Trustees at the Board's next succeeding meeting.

7.8(b). The Executive Committee shall meet as often as necessary to conduct its business as the Chairperson and President determine and ensure that minutes are taken and promptly distributed to all Trustees for

subsequent ratification by the Board of Trustees at its next regular meeting. A majority of voting Trustee committee members shall constitute a quorum.

7.8(c) All meetings of the Executive Committee shall be open to any member of the Board of Trustees, and all members of the Board shall receive reasonable notice (by telephone, email or other means) of any meeting. All members participating in the meetings shall have full voting privileges.

Article VIII - Indemnification

8.1 Each Trustee, the President, and each Officer of the College shall be indemnified against all expenses actually and reasonably incurred by such persons in connection with the defense of any action, suit, or proceeding civil or criminal to which he or she has been made a party by reason of being or having been a Trustee, the President, or an Officer of the College. The College shall cover such expenses except in relation to matters in which the Trustee, the President, or an Officer of the College shall be adjudicated in such action, suit, or proceeding to be liable for gross negligence or willful misconduct in the performance of duty to the College. The Board may make any other indemnification that it shall determine to be in the best interest of the College.

Article IX- Conflict of Interest

9.1. A Trustee shall be considered to have a conflict of interest if he or she: (1) has existing or potential financial or other interests that impair or appear to impair his or her independent, unbiased judgment in the discharge of his or her responsibilities to the College; or (2) is aware that a member of his or her family has financial or other interests that would impair or appear to impair the Trustee's independent judgment in the discharge of his or her responsibilities to the College. For the purposes of this provision, a family member is defined as a spouse, parent, sibling, child, or any other relative residing in the same household as the Trustee.

9.2. All Trustees shall disclose to the Board any possible conflict of interest at the earliest practical time. Further, the Trustee shall absent himself or herself from discussions of, and abstain from voting on, such matters under consideration by the Board of Trustees or its committees. The minutes of such meeting shall reflect that a disclosure was made and that the Trustee with a conflict or possible conflict abstained from voting. Any Trustee who is uncertain as to whether a conflict of interest may exist in any matter may request that the

Board or committee resolve the question in his or her absence by majority vote. Each Trustee shall complete and sign a disclosure form provided annually by the Secretary of the Board of Trustees.

Article X - Faculty

10.1. The Faculty, in close collaboration with the President of the College and the Academic Dean, shall exercise control over curriculum and other basic academic issues, subject to review and approval of the Board.

Article XI - Appeals

11.1 After all grievance procedures have been concluded, any Officer of the College, Faculty member, member of the administrative or support Staff, or student of the College who desires to bring any matter relating to the operation of the College, or which adversely affects the rights of such persons, shall have the right to appeal to the Board of Trustees. He or she shall first discuss this matter with the President of the College. After such discussion, he or she may appeal to the Board of Trustees, provided the President has been given a copy of the written complaint twenty (20) days prior to the next Board meeting. The Chairperson of the Board may decide whether to assign the appeal to a committee of Trustees or to have the Board, acting as a committee of the whole, hear the appeal.

Article XII - Fiscal Year

The College's fiscal year begins on the first day of June and ends on the last day of May.

ARTICLE XIII - Review and Amendment of By-Laws

13.1 The By-Laws (except Article 2.1) may be amended at any regular meeting of the Board of Trustees by the affirmative vote of a majority of the full membership of the Board, provided that the text of the proposed amendment shall have been sent to the members of the Board at least ten (10) days in advance, and further provided that the amended By-Law shall in no way be inconsistent with any provision of the Articles of Incorporation.

13.2. These By-Laws shall be reviewed periodically by the Secretary of the Board of Trustees and the Executive Committee. The Secretary and the Executive Committee shall recommend any necessary changes to the Board of Trustees.

Article XIV - Repeal of Former By-Laws

14.1 All regulations or policies which are inconsistent or in conflict with these By-Laws are hereby rescinded, and all prior By-Laws are repealed and superseded by these By-Laws.

Adopted by the Board of Trustees - February 8, 2013.

Chairperson of the Board
Wm. Jeffery Foreman

Secretary
Connie Lou Barnett